

### **REMARKS**

Claims 1, 3, 12, 14, 37, and 39 have been amended. Claims 2 and 13 have been canceled. Therefore, claims 1, 3-12, 14-18, and 37-39 are pending in the case. Entrance of the amendments to the claims and further examination and reconsideration of pending claims 1, 3-12, 14-18, and 37-39 are respectfully requested.

#### **Section 101 Rejections**

Claims 1-18 and 37-39 were rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Claims 2 and 13 have been canceled thereby rendering their rejections moot. As will be set forth in more detail below, the § 101 rejections of claims 1, 3-12, 14-18, and 37-39 are respectfully traversed.

Claims 1, 3-12, 14-18, and 37-39 are directed to statutory subject matter when the “machine-or-transformation test” is applied to the present claims. [T]he machine-or-transformation test is the only applicable test and must be applied, in light of the guidance provided by the Supreme Court and this court, when evaluating the patent-eligibility of process claims. *In re Bilski*, F.3d, 88 USPQ2d 1385, 29 (2008). In particular, the present claims recite methods that include at least one step that is performed by a particular machine. For example, amended independent claim 1 recites, in part: “monitoring the performance of the selected investment manager includes electronically generating performance reports using software on a performance management system.” Independent claims 12 and 37 have been amended to recite similar limitations. Support for the amendments to claims 1, 12, and 37 can be found in the claims as originally filed, for example, in claims 2 and 13 and in the Specification as originally filed, for example, on page 25, lines 9-14 and page 46, lines 1-5. Therefore, the amendments to claims 1, 12, and 37 do not present new matter.

Amended independent claims 1, 12, and 37, therefore, recite at least one step that is performed by a particular machine (e.g., a performance management system). In this manner, the claimed methods are “processes” under § 101, because the claimed methods are tied to another statutory class (e.g., a particular apparatus). Therefore, for at least the reasons set forth above, claims 1, 12, and 37 meet the requirements of the machine-or-transformation test. As such, claims 1, 12, and 37 are patent-eligible process claims.

For at least the reasons set forth above, claims 1, 12, and 37, and claims dependent therefrom, are directed to statutory subject matter. Accordingly, removal of the § 101 rejections of claims 1, 3-12, 14-18, and 37-39 is respectfully requested.

#### **Section 112, second paragraph, Rejections**

Claims 1 and 12 were rejected under 35 U.S.C. § 112, second paragraph, as having insufficient antecedent basis for the term “the capital.” To expedite prosecution, claims 1 and 12 have been amended to replace the term “the capital” with the term “the institutional capital.” As such, Applicants respectfully submit that the amendments to claims 1 and 12 render the § 112, second paragraph, rejections of claims 1 and 12 moot. Accordingly, removal of the § 112, second paragraph, rejections of claims 1 and 12 is respectfully requested.

#### **Section 102 Rejections**

Claims 1-9, 11-17, and 37-39 were rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent Application Publication No. 2002/0188536 to Milosavljevic et al. (hereinafter “Milosavljevic”). Claims 2 and 13 have been canceled thereby rendering their rejections moot. As will be set forth in more detail below, the § 102 rejections of claims 1, 3-9, 11-12, 14-17, and 37-39 are respectfully traversed.

A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference. *Verdegal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987). MPEP § 2131. The cited art does not disclose all limitations of the currently pending claims, some distinctive limitations of which are set forth in more detail below.

**The cited art does not teach monitoring the performance of an investment manager.**

Amended independent claim 1 recites, in part: "monitoring performance of the selected investment manager." Amended independent claims 12 and 37 recite similar limitations.

Milosavljevic discloses a system and method for an income planner. Paragraph 0100 of Milosavljevic is cited in the Office Action (e.g., Office Action -- page 4) as teaching monitoring the performance of an investment manager. However, this portion of Milosavljevic does not disclose monitoring the performance of an investment manager. For instance, Milosavljevic states:

The preferred embodiment of the invention provides a current summary report, as depicted in FIG. 8. FIG. 8 is an example of a customer's current summary corresponding to the current summary of FIG. 3106. The current summary report comprises a heading 601, a section providing an evaluation of the customer's investments, whereby a specialist can assist the customer, and a table 603 showing the customer's estimated annual cash flow breakdown of dividend and interest sources and non-fluctuating sources, compared with the customer's annual goal, and thereby the customer's estimated annual shortfall (surplus) to be met by capital gains. (Milosavljevic -- paragraph 0100).

Therefore, Milosavljevic discloses that a current summary report can be used to show the estimated annual cash flow breakdown of the customer's current investments compared with the customer's annual goal. However, the current summary report as disclosed by Milosavljevic cannot be used, inherently or otherwise, to monitor the performance of an investment manager. For example, Milosavljevic also states:

An objective of the preferred embodiment of the invention is to help customers create a personalized cash flow withdrawal plan by analyzing their existing assets and using a variety of investment products, and to provide more in depth and specific investment advice...The invention discussed herein can be used by a financial institution's branch and phone representatives for advising customers in the institution's branch offices and over the phone and can be used directly by customers through the institution's online customer center. (Milosavljevic -- paragraph 0071).

Therefore, Milosavljevic discloses that the systems and methods of Milosavljevic can be used by a financial institution's representatives to provide advice to a customer. However, Milosavljevic does not disclose that the financial institution's representatives make any decisions about investments of the customer or the withdrawal plan of the customer. Instead, Milosavljevic states that "This invention provides the customer with information that allows the customer to make decisions that fit their cash flow needs." (Milosavljevic -- paragraph 0048). Therefore, the customer makes investment and withdrawal decisions based on the advice of the representative of the financial institution. As such, a current summary report disclosed by Milosavljevic that provides an evaluation of the customer's investments may be used to monitor the performance of the customer's decisions. However, although the customer's decisions may be made based on the advice of a representative of a financial institution, since the representative of the financial institution does not, according to the teachings of Milosavljevic, make the investment and withdrawal decisions, the current summary report cannot be used, inherently or otherwise, to monitor the performance of the representative of the financial institution. Therefore, paragraph 0100 of Milosavljevic does not teach monitoring the performance of an investment manager, as recited in claims 1, 12, and 37.

Paragraph 0105 of Milosavljevic is also cited in the Office Action (e.g., Office Action -- pages 7 and 8) as teaching monitoring the performance of an investment manager. However, this portion of Milosavljevic also does not disclose monitoring the performance of an investment manager. For example, Milosavljevic states:

The preferred embodiment of the invention provides a summary of alternatives report, as depicted in FIG. 13. FIG. 13 is an example of summary of alternatives report corresponding to the summary of alternatives of FIG. 3112. FIG. 13 comprises a heading 1101 and a table 1102, having a current analysis column 1103, a first alternative column 1104, and a second alternative column 1105. (Milosavljevic -- paragraph 0105).

Milosavljevic also states:

The first alternative column 1104 shows the result of relaxing one of the goals. Relaxing one of the goals is viewed by one skilled in the art as being a non-financial alternative. In this example, the goal relaxed is the estate goal. The second alternative column 1105 shows the result of moderately altering the customer's asset allocation. Altering asset allocation is viewed by one skilled in the art as being a financial alternative. In this example, the asset allocation was changed moderately. (Milosavljevic -- paragraph 0106).

Therefore, as shown in Fig. 13, the report shows the predicted success of the customer's current assets and of various alternative asset allocations for meeting the retirement goals of the customer. However, predicting the success of various asset allocations in meeting the customer's retirement goals is clearly not equivalent to monitoring the performance of an investment manager. In addition, Milosavljevic states that "The table shows a Pros row 1106 and a Cons row 1107, which help educate the customer on the impact of the alternatives to the customer's portfolio position and likelihood and method of meeting their goals, so that the customer can make an informed decision." (Milosavljevic -- paragraph 0107). Therefore, Milosavljevic discloses that the table shown in Fig. 13 of Milosavljevic can be used to educate a customer as to the various alternatives and the likelihood that the various alternatives will meet the customer's goals. However, Milosavljevic does not disclose that a financial institution's representative makes any decisions on which alternative the customer should select. For example, as set forth above, Milosavljevic discloses that the customer makes a decision using the table that illustrates the various alternatives and the predicted success of the alternatives. Therefore, a summary of alternatives report disclosed by Milosavljevic that provides an evaluation of alternative asset allocations for the customer may be used to provide information to the customer or to monitor

the performance of the customer's previous decisions (e.g., based on the evaluation of the customer's current asset allocation included in the report). However, although the customer's decisions regarding asset allocation may be made based on the advice of a representative of a financial institution, since the representative of the financial institution does not, according to the teachings of Milosavljevic, make the decisions regarding the asset allocation of the customer, the summary of alternatives report disclosed by Milosavljevic cannot be used, inherently or otherwise, to monitor the performance of the representative of the financial institution. Therefore, paragraph 0105 of Milosavljevic does not teach monitoring the performance of an investment manager, as recited in claims 1, 12, and 37.

According, none of the portions of Milosavljevic cited in the Office Action as teaching monitoring the performance of an investment manager teach, inherently or otherwise, monitoring the performance of an investment manager, as recited in claims 1, 12, and 37. In addition, no other portion of Milosavljevic includes a disclosure, inherent or otherwise, of monitoring the performance of an investment manager, as recited in claims 1, 12, and 37. Furthermore, the systems and methods disclosed by Milosavljevic are not inherently configured to monitor the performance of an investment manager, as recited in claims 1, 12, and 37. Consequently, Milosavljevic does not teach monitoring the performance of an investment manager, as recited in claims 1, 12, and 37. As such, Milosavljevic does not teach all limitations of claims 1, 12, and 37.

For at least the reasons set forth above, independent claims 1, 12, and 37, as well as claims dependent therefrom, are not anticipated by the cited art. Accordingly, removal of the § 102 rejections of claims 1, 3-9, 11-12, 14-17, and 37-39 is respectfully requested.

### **Section 103 Rejections**

Claims 10 and 18 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Milosavljevic in view of Official Notice. As will be set forth in more detail below, the § 103(a) rejections of claims 10 and 18 are respectfully traversed.

To establish *prima facie* obviousness of a claimed invention, all claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (C.C.P.A. 1974). The cited art does not teach or suggest all limitations of the currently pending claims, some distinctive limitations of which are set forth in more detail below.

**The cited art does not teach or suggest monitoring the performance of an investment manager, as recited in claims 1 and 12.** As set forth in detail above, Milosavljevic does not teach all limitations of claims 1 and 12. Milosavljevic also does not suggest all limitations of claims 1 and 12. For instance, as set forth in detail above, Milosavljevic discloses that a representative of a financial institution may provide advice to a customer using the systems and methods of Milosavljevic. In addition, as set forth in detail above, Milosavljevic discloses that a customer may make investment and withdrawal decisions based on the advice of the representative of the financial institution. Therefore, any performance of the customer's investment and withdrawal plan or asset allocation that can be monitored using the systems and methods of Milosavljevic would inherently be the performance of the customer, not the performance of the representative of the financial institution. In addition, Milosavljevic contains no teaching or suggestion that a representative of a financial institution makes (or can make) any decisions regarding a customer's investment and withdrawal plan or asset allocation. In this manner, Milosavljevic does not teach or suggest using any of the information generated by the systems and methods of Milosavljevic to monitor the performance of a representative of a financial institution. In addition, Milosavljevic does not teach or suggest that any of the information generated by the systems and methods of Milosavljevic can be used to monitor the performance of a representative of a financial institution. Therefore, Milosavljevic does not

teach or suggest monitoring the performance of an investment manager, as recited in claims 1 and 12. As such, Milosavljevic does not teach or suggest all limitations of claims 1 and 12.

For at least the reasons stated above, independent claims 1 and 12, as well as claims 10 and 18 dependent respectively therefrom, are patentably distinct over the cited art. Accordingly, removal of the § 103 rejections of claims 10 and 18 is respectfully requested.

### CONCLUSION

This response constitutes a complete response to all issues raised in the Office Action mailed September 15, 2008. In view of the amendments and remarks presented herein, Applicants assert that pending claims 1, 3-12, 14-18, and 37-39 are in condition for allowance. If the Examiner has any questions, comments, or suggestions, the undersigned earnestly requests a telephone conference.

The Commissioner is authorized to charge any fees, which may be required, or credit any overpayment, to deposit account number 02-0393.

Respectfully submitted,



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